



**Sunoco Logistics**

Sunoco Logistics Partners L.P.  
3807 West Chester Pike  
Newtown Square, PA 19073

March 30, 2017

Grant Thornton LLP  
2001 Market Street, Suite 700  
Philadelphia, PA 19103

Dear Sir or Madam:

We are providing this letter in connection with your engagement to apply the agreed-upon procedures described in your report, dated March 30, 2017, related to our letter, dated March 30, 2017, addressed to the Pennsylvania Department of Environmental Protection, Bureau of Waste Management, Division of Hazardous Waste Management, (the "Schedule") for the year ended December 31, 2016, (collectively the "Subject Matter") solely for the purpose of assisting Sunoco Logistics Partners L.P (the "Partnership") and the Board of Directors and management of the Partnership in connection with the reporting requirements of Title 40, Code of Federal Regulations ("40 CFR"), Parts 264 and 265 relating to facility number PAD980550594.

We confirm that we are responsible for the completeness, accuracy, and reliability of the Subject Matter and our assertion about the Subject Matter. We also assume responsibility for the sufficiency of the procedures, for selecting the criteria against which the Subject Matter is measured, and for determining that such criteria are appropriate for our purposes.

We confirm, to the best of our knowledge and belief, as of March 30, 2017, the following representations made to you during your agreed-upon procedures engagement:

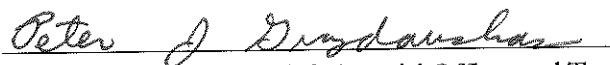
1. We have provided you with access to all documents, records, and related information and to management and personnel with information of relevance pertaining to the Subject Matter, our assertion about the Subject Matter, and the agreed-upon procedures, including support and documentation related to our evaluation.
2. There are no known matters contradicting the Subject Matter or our assertion.
3. We have disclosed to you all communications from regulatory agencies, internal auditors, and other practitioners concerning possible noncompliance with the specified requirements, including communications received between the end of the period addressed in our assertion and through the date of this letter.
4. There have been no known illegal acts, or violations or possible violations of laws, regulations or contracts, which could have an effect on the Subject Matter or our assertion.

5. We have no knowledge of fraud or suspected fraud, or allegations of fraud or suspected fraud, affecting the Subject Matter or our assertion.
6. We have reviewed the Code of Federal Regulations to ensure the proper calculation of Tangible Net Worth, as defined by 40 CFR, Parts 264 and 265, and the proper calculation of total assets in the United States to total consolidated assets and believe the amounts included and excluded from these classifications in the Schedule are appropriate based on the definitions included in the Code of Federal Regulations.
7. There have been no other events that would affect the Subject Matter or our assertion, subsequent to December 31, 2016 and through the date of this letter.

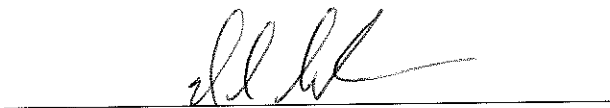
Very truly yours,

**Sunoco Logistics Partners L.P**

**By: Sunoco Partners LLC, the general partner of Sunoco Logistics Partners L.P**



Peter J. Gvazdauskas, Chief Financial Officer and Treasurer



Michael Galtman, Chief Accounting Officer and Controller



**Sunoco Logistics**

RECEIVED

APR 4 2017

DIV OF HAZARDOUS  
WASTE MANAGEMENT

**Sunoco Logistics Partners L.P.**  
3807 West Chester Pike  
Newtown Square, PA 19073

March 30, 2017

Pennsylvania Department of Environmental Protection  
Bureau of Waste Management  
Division of Hazardous Waste  
RCSOB - 14<sup>th</sup> Floor  
400 Market Street  
P. O. Box 69170  
Harrisburg, PA 17106-9170  
Attn: Hazardous Waste Financial Assurance

Dear Sirs:

I am the chief financial officer of Sunoco Logistics Partners L.P. ("Sunoco Logistics"), 3807 West Chester Pike, Newtown Square, Pennsylvania 19073. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure and/or post-closure care as specified in subpart H of 40 CFR parts 264 and 265.

The firm identified above is the owner or operator of the following facilities for which liability coverage for both sudden and nonsudden accidental occurrences is being demonstrated through the financial test specified in subpart H of 40 CFR parts 264 and 265:

None

The firm identified above guarantees, through the guarantee specified in subpart H of 40 CFR parts 264 and 265, liability coverage for both sudden and nonsudden accidental occurrences at the following facilities owned or operated by the following:

Sunoco Partners Marketing & Terminals L.P. ("SPMT")  
Marcus Hook Industrial Complex  
(Middle Creek Conveyance System and Solid Waste Facility)  
100A Green Street  
Marcus Hook, PA 19061  
EPA #PAD980550594

The firm identified above is the direct or higher-tier parent corporation of the owner or operator.

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care or liability coverage is demonstrated through the financial test specified in subpart H of 40 CFR parts 264 and 265. The current closure and/or post-closure cost estimate covered by the test are shown for each facility:

None

2. The firm identified above guarantees, through the guarantee specified in subpart H of 40 CFR parts 264 and 265, the closure and post-closure care or liability coverage of the following facilities owned or operated by the guaranteed party. The current cost estimates for closure or post-closure care so guaranteed are shown for each facility:

Sunoco Partners Marketing & Terminals L.P. ("SPMT")  
Marcus Hook Industrial Complex  
100A Green Street  
Marcus Hook, PA 19061  
EPA #PAD980550594

|                                                                          |              |
|--------------------------------------------------------------------------|--------------|
| Current Cost Estimate – Closure (Solid Waste Facility)                   | \$ 421,357   |
| Current Cost Estimate – Post-Closure<br>(Middle Creek Conveyance System) | \$13,076,737 |

3. In States where the Department is not administering the financial requirements of subpart H of 40 CFR parts 264 or 265, this firm is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in subpart H of 40 CFR parts 264 and 265. The current closure or post-closure cost estimates covered by such a test are shown for each facility:

None

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated either to the Department or a State through the financial test or any other financial assurance mechanisms specified in subpart H of 40 CFR parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

None

5. This firm is the owner or operator or guarantor of the following UIC facilities for which financial assurance for plugging and abandonment is required under part 144 and is assured through a financial test. The current closure cost estimates as required by 40

CFR 144.62 are shown for each facility:

None

This firm is required to file a Form 10-K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ends on December 31. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended December 31, 2016.

PART B. CLOSURE OR POST-CLOSURE CARE AND LIABILITY COVERAGE

ALTERNATIVE II

- |      |                                                                                                                                                                                          |                                                         |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| 1.   | Sum of current closure and post-closure cost estimates (total of all costs estimates listed above):                                                                                      | \$ 13,498,094                                           |
| 2.   | Amount of annual aggregate liability coverage to be demonstrated:                                                                                                                        | \$ 8,000,000                                            |
| 3.   | Sum of lines 1 and 2:                                                                                                                                                                    | \$ 21,498,094                                           |
| 4.   | Current bond rating of most recent issuance and name of rating service:                                                                                                                  | Fitch - BBB<br>Standard & Poors - BBB<br>Moody's - Baa3 |
| 5.   | Date of issuance of bond:                                                                                                                                                                | July 7, 2016                                            |
| 6.   | Date of maturity of bond:                                                                                                                                                                | July 15, 2026                                           |
| *7.  | Tangible net worth (if any portion of the closure or post-closure cost estimates is included in "total liabilities" on your financial statements you may add that portion to this line): | \$ 6,422,000,000                                        |
| *8.  | Total assets in the U.S. (required only if less than 90% of assets are located in the U.S.):                                                                                             | N/A                                                     |
| 9.   | Is line 7 at least \$10 million? (Yes/No)                                                                                                                                                | Yes                                                     |
| 10.  | Is line 7 at least 6 times line 3? (Yes/No)                                                                                                                                              | Yes                                                     |
| *11. | Are at least 90% of assets located in the U.S.? (Yes/No)<br>If not, complete line 12.                                                                                                    | Yes                                                     |
| 12.  | Is line 8 at least 6 times line 3? (Yes/No)                                                                                                                                              | N/A                                                     |

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(g) as such regulations were constituted on the date shown immediately below.

By: Peter J. Gvazdauskas  
Peter J. Gvazdauskas  
Chief Financial Officer and Treasurer  
Sunoco Logistics Partners L.P.

Dated: March 30, 2017



Grant Thornton LLP  
2001 Market Street, Suite 700  
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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Management  
Sunoco Logistics Partners L.P.  
3807 West Chester Pike  
Newtown Square, Pennsylvania 19073

We have performed the procedures enumerated below, which were agreed to by the Board of Directors and management of Sunoco Logistics Partners L.P. (the "Partnership"), solely to assist the Partnership in complying with the reporting requirements of Title 40, Code of Federal Regulations ("40 CFR"), Parts 264 and 265 relating to facility number PAD 980550594 and included in the Partnership's letter dated March 30, 2017 pertaining to financial assurance for closure and post-closure care and for liability coverage addressed to the Pennsylvania Department of Environmental Protection, Bureau of Waste Management, Division of Hazardous Waste Management (the "Schedule"). The Partnership's management is responsible for the Schedule. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board of Directors and management of the Partnership. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and our findings are as follows:

1. We obtained a schedule prepared by management of the Partnership from its accounting records calculating Tangible Net Worth, as defined by 40 CFR, Parts 264 and 265, as of December 31, 2016. Tangible Net Worth has been defined by 40 CFR Part 264.141 as "the tangible assets that remain after deducting liabilities; such assets would not include intangibles such as goodwill and rights to patents and royalties." We:
  - a. Compared the amounts for total assets and total liabilities in the schedule to the corresponding amounts included in or derived from the Partnership's consolidated financial statements and found them to be in agreement;
  - b. Compared the amounts for intangible assets in the schedule to the corresponding amounts appearing in the accounting records and found them to be in agreement; and
  - c. Mathematically recomputed the calculation reflected on the schedule of total tangible assets less total liabilities and found such recalculated total to be in agreement with the Tangible Net Worth shown on the schedule. We compared the Tangible Net Worth in the schedule to the corresponding amount presented in the Partnership's March 30, 2017 letter listed under caption Alternative II, Line 7, and found them to be in agreement.



2. We obtained a schedule prepared by management of the Partnership's calculation of total assets in the United States to total assets included in the consolidated financial statements as of December 31, 2016 as defined in 40 CFR Part 264.143, ensuring it complied with the Code of Federal Regulations. We:
  - a. Compared the amount on the schedule for total assets to the corresponding amount included in the Partnership's consolidated financial statements and found them to be in agreement;
  - b. Compared the amount on the schedule for total assets in the United States to the corresponding amount in the Partnership's accounting records and found them to be in agreement after giving effect to rounding; and
  - c. Mathematically recomputed the calculation reflected in the schedule of total assets in the United States divided by the total assets and found such recalculated percentage to be in agreement.

We were not engaged to and did not conduct an audit or a review, the objective of which would be the expression of an opinion or limited assurance on the specified financial data reflected in Alternative II. Accordingly, we do not express such an opinion or limited assurance. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Directors and management of Sunoco Logistics Partners L.P. as it relates to the reporting requirements noted above and is not intended to be and should not be used by anyone other than these specified parties.

Grant Thornton LLP

Philadelphia, Pennsylvania

March 30, 2017



## GUARANTY AND SURETYSHIP AGREEMENT

**THIS AGREEMENT** ("Guaranty and Suretyship Agreement" or "Agreement") made this 30<sup>th</sup> day of March, 2017, by and between the COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION ("DEP"), a Commonwealth executive agency with offices in the Rachel Carson State Office Building, 400 Market Street, P.O. Box 8471, Harrisburg, Pennsylvania 17105-8471 and Sunoco Logistics Partners L.P. ("Guarantor"), with its principal place of business at

Company Name

3807 West Chester Pike, Newtown Square, PA 19073

Company Address

**WHEREAS**, Sunoco Partners Marketing & Terminals L.P., ("Operator(s)"), subsidiaries of the Guarantor entered into bond

Company Name(s)

agreements relating to Permit Number(s) PAD980550594 ("Bond Agreements") with DEP as part of Operators' agreements relating to Permit Number(s) PAD #

bond obligations under 25 Pa. Code Section 264a.153 and which requires Guarantor to secure Operators' obligations under the Bond Agreements. The Bond Agreements are attached and incorporated herein; and

**WHEREAS**, Guarantor's legal obligation to pay claims is evidenced by the Bond Agreements in the amount of \$ 13,498,094 and under 25 Pa. Code Section 264a.156(e) or 265a.156(e), and by a corporate guarantee letter (attached and incorporated herein) signed by the Guarantor's Chief Financial Officer and guaranteeing both the Bond Agreement and \$ 8,000,000 in liability coverage ("Corporate Guarantee Letter"), this Agreement secures an amount of \$ 21,498,094.

**NOW THEREFORE**, in consideration of the acceptance of the Bond Agreements and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the undersigned agree as follows:

1. **Replacement.** This Agreement replaces in its entirety that Guaranty and Suretyship Agreement between Guarantor and DEP dated March 31, 2016.

2. **Guaranty.** The undersigned Guarantor irrevocably, unconditionally and absolutely guarantees to DEP and becomes surety for:

(a) The prompt payment of up to \$ 21,498,094 due to DEP from the Operators under the terms of the Bond Agreements and from the Guarantor under the terms of the Corporate Guarantee Letter; and

(b) The prompt and complete compliance with and performance by the Operator and the Guarantor of all representations, warranties, covenants, agreement and other obligations to DEP under the terms of the Bond Agreement and the Corporate Guarantee Letter (the payment, compliance and performance obligations hereinabove guaranteed by the undersigned Guarantor are hereinafter collectively referred to as the "Guaranteed Obligations").

3. **Term.** This Agreement shall remain in full force and effect until all of the Guaranteed Obligations are fully, finally and irrevocably paid, complied with and performed.

4. **Hold Harmless.** Guarantor shall fully pay, upon demand by DEP, any and all sums up to \$ 21,498,094 arising from any default (after appropriate notice and cure periods as may be set forth therein) by the Operator, Guarantor or otherwise under the Bond Agreements or the Corporate Guarantee Letter.

5. **Guarantor Obligations.** In the event that any default occurs under the Bond Agreements (after appropriate notice and cure periods as may be set forth herein) or under the Corporate Guarantee Letter, the undersigned Guarantor shall pay, comply with and perform such of the Guaranteed Obligations as DEP shall direct, irrespective of whether the Guaranteed Obligations directed by DEP to be paid, complied with and performed by the undersigned Guarantor are those which give rise to the default.

6. **DEP Rights.** DEP shall have the right to require the undersigned Guarantor to pay, comply with and perform the Guaranteed Obligations and shall have the right to proceed immediately against the undersigned Guarantor for such payment, compliance and performance without being required to make any demand upon or bring any proceeding or take any other action of any kind against the Operator, Guarantor, or any other person or entity in connection with the Bond Agreements as a condition precedent to bringing an action upon this Agreement against the undersigned Guarantor. This Agreement shall be deemed an agreement of suretyship under the laws of the Commonwealth of Pennsylvania.

7. **Confession of Judgment and Execution.** In the case of the failure of the Operator or Guarantor to pay, comply with and perform the Guaranteed Obligations when directed by DEP, or of the insolvency or failure in business of the Operator or Guarantor, or in the event that a petition in bankruptcy or for a receiver is filed in any court by or against the Operator or Guarantor, then any sum referred to herein shall be deemed for the purposes of the Guaranty to be immediately due and payable and the liability of the Guarantor shall accrue, all without demand or notice. Whenever the liability of the Guarantor accrues, it may accrue without demand or notice. Whenever the liability of the Guarantor accrues, it may accrue in Pennsylvania and in any state where the same is permitted by law. The Guarantor hereby irrevocably authorizes and empowers any attorney of record, or the Prothonotary or Clerk of any Court in the Commonwealth or elsewhere, to appear for Guarantor at any time or times, in any action brought against Guarantor by DEP with respect to the requirements of this Agreement, with or without declaration filed as of any term, and therein confess or enter judgment against Guarantor for all sums payable by Guarantor to DEP under this Agreement, as evidenced by an affidavit signed by a duly authorized designee for DEP setting forth in such amount then due from Guarantor to DEP, with interest from the date of written demand at 10% per annum, costs and attorney fees. If a copy of this Agreement, verified by an affidavit, shall have been filed in such action, it shall not be necessary to file the original as a warrant of attorney. Guarantor waives the right to any stay of execution and also the right of inquisition on any real estate that may be levied upon to collect the amount due under a judgment obtained by virtue hereof, and voluntarily condemns the same and waives and releases all relief from any and all appraisement, stay, exemption or homestead laws of any state now in force or hereafter passed, or any right to except to, strike off, open or appeal from the judgment so entered. No single exercise of the foregoing warrant and power to bring any action to confess judgment herein shall be deemed to exhaust the power, but the power shall continue undiminished and may be exercised from time to time as often as DEP or its designee shall elect until all amounts payable to DEP shall have been paid in full. The Guarantor further agrees that execution may issue upon judgment so confessed for the full amount of money and accrued interest that is owing to DEP with costs and collection fee, upon filing information in writing in the court where such judgment shall be entered.

8. **Events Not Affecting Obligations.** Until all of the Guaranteed Obligations are completely fulfilled to the satisfaction of DEP and each and every one of the terms, covenants and conditions of this Agreement are fully performed, the liability of the undersigned Guarantor under this Agreement shall in no way be released or affected:

(a) By any act or circumstance which might, but for this paragraph 8, be deemed a legal or equitable discharge of any guarantor or surety; or

(b) By reason of the dissolution of the undersigned Guarantor; or

(c) By reason of the alteration, extension, modification, release or waiver of any for the terms, covenants and conditions contained in the Bond Agreements; or

(d) By reason of any waiver, extension, modification, forbearance or delay or other act or omission of DEP or its failure to proceed promptly or otherwise with respect to the Guaranteed Obligations or this Agreement; or

(e) By the commencement, existence or completion of any proceeding against the Guarantor or otherwise related to the collection and enforcement of the Guaranteed Obligations; or

(f) By reason of any action taken or omitted or circumstance which might vary the risk or affect the rights or remedies of the undersigned Guarantor with respect to the Guaranteed Obligations or this Agreement. The undersigned Guarantor expressly waives and surrenders any defenses to its liability hereunder based upon any of the foregoing acts, omissions, agreements or waivers of DEP, it being the purpose and intent of this Agreement that the obligations of the undersigned Guarantor are absolute and unconditional.

9. **Guarantor Waiver.** The undersigned Guarantor represents and acknowledges that it has received and read all of the Bond Agreements and that the obligations evidenced by the Bond Agreements are and will be of direct interest, benefit and advantage to the undersigned Guarantor. The undersigned Guarantor consents to all of the terms, covenants and conditions for the Bond Agreements and any other document governing or relating to any of the obligations contained in the Bond Agreements. The undersigned Guarantor hereby irrevocably waives any notice of any compromise, forbearance, indulgence, amendment, modification, extension or renewal of any of the terms, covenants or conditions of the Bond Agreements.

10. The undersigned Guarantor hereby irrevocably waives any notice of:

(a) DEP's intention to act in reliance hereon or of its reliance hereon;

(b) Any presentment, demand, protest, notice of protest and of dishonor, and all other notices with respect to any of the Guaranteed Obligations; and

(c) The commencement or prosecution of any enforcement proceeding, including any proceeding in any court, against the Guarantor or any other person or entity with respect to any of the Guaranteed Obligations.

11. **Severability.** This Agreement shall be a continuing, absolute and unconditional guarantee regardless of the validity, regularity, enforceability or legality of:

(a) Any of the Guaranteed Obligations;

(b) Any term of any document evidencing or relating to any of the Guaranteed Obligations contained in the Bond Agreements. In the event that for any reason one or more of the provisions of this Agreement or their application to any person or circumstance shall be held to be invalid, illegal or unenforceable in any respect or to any extent, such provisions shall nevertheless remain valid, legal and enforceable in all such other respects and to such extent as may be permissible, and such invalidity, illegality or unenforceability shall not affect any other provision hereof.

12. **Notices.** Any notice, demand or request hereunder shall be in writing and shall be deemed to have been sufficiently given for all purposes when personally presented or sent certified or registered mail, return receipt requested, to such party at its address set forth below. Such notice shall be deemed to be given when received if delivered personally or two (2) days after the date mailed if sent by certified or registered mail. Whenever the giving of notice is required, the giving of such notice may be waived, in writing, by the party entitled to receive such notice.

To the Guarantor: Sunoco Logistics Partners L.P., 3807 West Chester Pike, Newtown Square, PA 19073, Attn: CFO & Treasurer

\_\_\_\_\_  
Contact Name, Company Name and Address

To DEP:  
PA Department of Environmental Protection  
P. O. Box 69170  
Harrisburg, PA 17106-9170  
Bureau of Waste Management  
Attn: Chief, Hazardous Waste Division

(If copies need to go to operator(s), please list: Sunoco Partners LLC, 3807 West Chester Pike, Newtown Square, PA 19073, Attn: General Counsel )

\_\_\_\_\_  
Contact Name, Company Name and Address of Operator(s)

13. **Modification.** No modification of this Agreement shall be effective unless in writing and signed by DEP and the undersigned Guarantor.

14. **Successors and Assigns.** This Agreement shall be binding upon the undersigned Guarantor, its successors and assigns, and shall inure to the benefit of DEP, its successors and assigns.

15. **Governing Law.** This Agreement shall be construed in accordance with and governed in all respects by the laws of the Commonwealth of Pennsylvania.

16. **No Waiver of Sovereign Immunity.** This Agreement shall in no way be construed to act as a waiver of governmental, sovereign or any other applicable immunity accorded the Commonwealth of Pennsylvania, the Department of Environmental Protection and their officers, servants, agents and employees.

17. **Time of the Essence.** All dates and times for the performance of the Guarantor Obligations set forth in this Agreement shall be deemed to be the essence of this Agreement.

18. **Remedies Cumulative.**

(a) No right or remedy conferred upon or reserved to DEP under this Agreement, or with respect to any guarantee of payment or of performance of any for the Guarantor's obligations under this Agreement, now or hereafter existing at law or in equity or by statute or other legislative enactment, is intended to be or shall be deemed to be exclusive of any other such right or remedy shall be cumulative and concurrent, and shall be in addition to every other such right or remedy, and may be pursued singly, concurrently, successively or otherwise, at the sole discretion of DEP, and shall not be exhausted by any one exercise thereof but may be exercised as often as occasion shall occur. No act of DEP shall be deemed or construed as an election to proceed under any one such right or remedy to the exclusion of any other such right or remedy; furthermore, each right or remedy of DEP shall be separate, distinct and cumulative and none shall be given effect to the exclusion of any other.

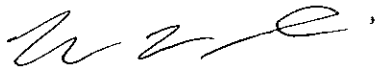
(b) The recovery of any judgment by DEP and/or the levy of execution under any judgment shall not affect in any manner or to any extent, the rights, remedies or powers of DEP under this Agreement, but such rights, remedies and powers of DEP shall continue unimpaired as before.

19. **Headings.** The headings of the paragraphs of this Agreement are for descriptive purposes only and are intended to have no legal force or effect.

Guarantor: Sunoco Logistics Partners L.P.  
(Print/Type Name)

ATTEST OR WITNESS

By: Peter J. Gvazdauskas, Chief Financial  
Officer and Treasurer  
(Type/Print Name & Title)



MARIE M. IANNUCCI, MGR. OF EXT. REPORTING

  
(Signature of Above)

By: \_\_\_\_\_  
(Type/Print Name & Title)

\_\_\_\_\_  
(Signature of Above)

**APPROVED:**  
**COMMONWEALTH OF PENNSYLVANIA**  
**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

By: \_\_\_\_\_  
(Type/Print Name & Title)

\_\_\_\_\_  
(Signature of Above)

Approved for Legality and Form:

\_\_\_\_\_  
Chief/Assistant Counsel  
Department of Environmental Protection

\_\_\_\_\_  
Office of General Counsel

\_\_\_\_\_  
Office of Attorney General



**pennsylvania**  
DEPARTMENT OF ENVIRONMENTAL  
PROTECTION

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
BUREAU OF WASTE MANAGEMENT

Date Prepared

I.D. Number

**CORPORATE GUARANTEE BOND**  
**For a Hazardous Waste Management Facility**

**To be completed by Permittee/Operator:**Name of Facility: Marcus Hook Industrial ComplexAddress: 100A Green StreetMunicipality: Marcus HookCounty: Delaware**Department Use Only:**

Solid Waste Permit No.: \_\_\_\_\_

Date of Permit Issuance: \_\_\_\_\_

Permit Acreage: \_\_\_\_\_

**Purpose:** Check one:

(1) Operation, Closure and Post-Closure of a Hazardous Waste Management Facility

- ☐ (a) Initial Bond
- ☐ (b) Repermit of Existing Facility
- ☐ (c) Additional Bond
- ☒ (d) Replacement Bond
- ☐ (e) Change of Ownership

WHEREAS, Sunoco Partners Marketing & Terminals L.P., (1) Corporation,  
(Name of Permittee, or Operator)

incorporated under the Laws in the State of \_\_\_\_\_,

or (2) Limited Partnership, with its principal place of  
(Individual, Limited Liability Company, Limited/General Partnership)

business at 3807 West Chester Pike, Newtown Square, PA 19073,  
(Address)

or (3) \_\_\_\_\_ has (1) filed application for permit(s); or (2) executed  
(municipality or municipal authority)

\_\_\_\_\_ (hereinafter "agreement") dated \_\_\_\_\_  
 (Consent agreement/consent decree/consent adjudication) (date of agreement)

with the Commonwealth of Pennsylvania, Department of Environmental Protection (hereinafter referred to as the "Department"), or (3) has been ordered by the Department, under the provisions of the "Pennsylvania Solid Waste Management Act", Act of July 7, 1980, No. 97, as amended (hereinafter "Act 97") for the purpose, as indicated above of either (1) the operation and closure or (2) post-closure of a waste management facility which will affect 788  
 (Acreage to be Under Permit or as Referenced by Order/Agreement, etc)

acres of land owned by Sunoco Partners Marketing & Terminals L.P. in  
 (Name of Landowner)

Marcus Hook  
 (Name of Municipality)

Delaware County, Pennsylvania (hereinafter referred to as "facility").  
 (Name of County)

NOW THEREFORE, Sunoco Partners Marketing & Terminals L.P.  
 (Name of Permittee/Operator)

\_\_\_\_\_ (hereinafter "Operator"), intends to be

bound to the Department, in the just and full sum of legally thirteen million four hundred ninety-eight thousand ninety-four dollars  
 (Written Dollar Amount)

\$13,498,094 Dollars, to the payment of which the Operator binds its  
 (Numerical Dollar Amount) (his, her or its)

heirs, executors, administrators, assigns and successors, firmly by these terms:

NOW THE CONDITION OF THIS OBLIGATION is such that if the Operator faithfully performs all of the requirements of (1) the Act of Assembly approved July 7, 1980, P.L. 380, known as the "Solid Waste Management Act"; (2) the Act of Assembly approved June 22, 1937, P.L. 1987, as amended, known as "The Clean Streams Law"; (3) the Act of Assembly approved January 8, 1960, P.L. 2119, as amended, known as the "Air Pollution Control Act"; (4) the applicable provisions of the Act of Assembly approved November 26, 1978, P.L. 1375, as amended known as the "Dam Safety and Encroachments Act"; (5) the applicable provisions of the Act of Assembly approved May 31, 1945, P.L. 1198, as amended, known as the "Surface Mining Conservation and Reclamation Act"; (6) the Act of Assembly approved July 28, 1988, P.L. 556, known as the "Municipal Waste Planning, Recycling and Waste Reduction Act."; (7) the rules and regulations promulgated thereunder; (8) the provisions and conditions of the permits issued thereunder and designated in this bond; (9) any agreement with or order of the Department; and, (10) such amendments or additions to the acts, regulations, terms and conditions of the permits, and orders of the Department as may hereinafter be lawfully made (all of which are hereinafter referred to as the "law"), then this obligation shall be null and void, otherwise to be and remain in full force and effect.



LIABILITY UPON THIS BOND shall be for the amount specified herein. Liability upon this bond shall be continuous from the initiation of operations at the facility, and shall continue for the duration of the processing and/or disposal of solid waste at the aforesaid facility and for a period of ten (10) years after final approved closure of the site, unless released in whole or in part by the Department, in writing, prior thereto, as provided by the law. If any environmental damage is caused by the Operator in violation of the aforementioned law, then the bond shall not be released, but the liability under this bond shall continue until such environmental damage is corrected and the site restored to a condition of compliance with the aforementioned law. This bond shall be in default if the Operator fails, refuses or is unable to complete restoration work as directed, in writing, by the Department. Liability upon this bond shall extend to the entire facility. The Operator agrees that this bond covers and includes any and all liabilities and obligations under the aforementioned law which accrued on the permit site prior to the issuance of Permit No. PAD980550594, as well as any and all liabilities and obligations of the Operator to be accrued under the law from the date of issuance of the Permit until such time as the Department shall release, in writing, such liabilities and obligations.

AND FOR THE PURPOSE OF SECURING THIS OBLIGATION, Sunoco Logistics Partners L.P. as the  
(Company Name)

owner of the Operator, has entered into a Guaranty and Suretyship Agreement and executed a Chief Financial Officer Letter ("Corporate Guarantee Letter") which is attached hereto and made a part hereof. All parties agree that the liability upon this bond is a penal sum, and as such the Commonwealth retains a property interest, which may not be affected by bankruptcy, insolvency, or other financial incapacity of the Operator, in such Guaranty and Suretyship Agreement and Corporate Guarantee Letter until release of such liability as provided by the law.

UPON ANY DEFAULT of the provisions, conditions and obligations assumed under this bond and/or the Guaranty and Suretyship Agreement or this bond and the Corporate Guarantee Letter and the declaration of a forfeiture by the Secretary, or his or her designee, the period for appeal provided by law having expired, the Secretary, or his or her designee, shall have the right to exercise any and all remedies set forth in this bond and/or the Guaranty and Suretyship Agreement or this bond and the Corporate Guarantee Letter and deposit the proceeds to the account of the Department as provided by law.

FURTHER, the Operator agrees that its liability hereunder shall not be impaired or affected by, (a) any renewal or extension of the time for performance of any of the provisions, conditions or obligations upon which this bond is conditioned, or (b) any forbearance or delay in declaring this bond to be forfeited or in enforcing payment on this bond.

FURTHER, the Department reserves the right to require additional bonding from the Operator, as provided by law, which shall be a supplement to and augment the bond liability provided herein. The Department may release, in writing, a portion of the amount of liability provided in this bond for partial completion of the provisions, conditions and obligations assumed by the Operator herein, as may be authorized by the law, and such amount released shall be a

credit upon the total amount of this bond. Nothing herein shall limit or preclude the Department from seeking to enforce any remedy, in addition to the forfeiture of this bond, which may be authorized or provided by law.

IN WITNESS WHEREOF, the Operator hereunto sets its hand and seal, intending to be legally bound hereby,

30<sup>th</sup> day of March, 20 17

**PERMITTEE / OPERATOR:**

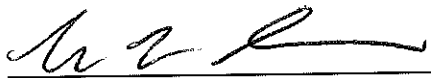
Sunoco Partners Marketing & Terminals L.P.  
(Print / Type Name)


**Affix Corporate Seal Here:**

**ATTEST OR WITNESS:**

MARIE M. IANNUCCI, MANAGER OF EXTERNAL RELATIONS  
(Print / Type Name)

By: Peter J. Gvazdauskas, Chief Financial Officer and Treasurer  
(Print / Type Name and Title)

  
(Signature of Above)

  
(Signature of Above)

\_\_\_\_\_  
(Print / Type Name)

By: \_\_\_\_\_  
(Print / Type Name and Title)

\_\_\_\_\_  
(Signature of Above)

\_\_\_\_\_  
(Signature of Above)

**Approved as to legality and form:**

**Approved for the Department:**

\_\_\_\_\_  
Office of Attorney General

\_\_\_\_\_  
(Print / Type Name and Title)

\_\_\_\_\_  
(Signature of Above)

\_\_\_\_\_  
Chief Counsel / Assistant Counsel  
Department of Environmental Protection

\_\_\_\_\_  
(Date)



**pennsylvania**  
DEPARTMENT OF ENVIRONMENTAL  
PROTECTION

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
BUREAU OF WASTE MANAGEMENT

## CORPORATE GUARANTEE BOND ENDORSEMENT Replacement Bond

It is agreed and understood by the DEP and the Guarantor, Owner, or Operator, on Corporate Guarantee Bond dated 31 March 2017 to which this Endorsement is attached and intended to become a part of, that said bond is submitted as bond required by and pursuant to Permit No. PAD 980550594 issued on 12/01/2014 (original permit date)

and that the attached Corporate Guarantee Bond assumes and covers any and all liability and obligations accrued and to be accrued under the law (as defined in the attached Corporate Guarantee bond), from the date of the issuance of the original permit until such time as the Commonwealth shall release, in writing, such liability and obligations. It is specifically agreed and intended that the aforesaid replacement Corporate Guarantee Bond is retroactively effective from the date of the issuance of the original permit.

It is understood that the attached Corporate Guarantee Bond replaces existing Corporate Guaranty (corporate guaranty, collateral or surety) bond(s) dated 31 March 2016 and that in consideration of the pledge and Deposit of the attached Corporate Guarantee bond, the Commonwealth will release the existing bond(s) of the permittee.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, sign, seal and deliver this Endorsement, this 30th day of March, 2017.

ATTEST OR WITNESS:

Permittee/Operator: Sunoco Partners Marketing & Terminals L.P.  
(Type Name)

MARIE M. IANNUCCI, MANAGER OF EXTERNAL REL.  
SUNOCO LOGISTICS PARTNERS, L.P.

By: Peter J. Gvazdauskas, Chief Financial Officer and Treasurer  
Sunoco Logistics Partners, L.P.  
(Print/Type Name and Title)

(Signature of above)

By: \_\_\_\_\_  
(Print/Type Name and Title)

\_\_\_\_\_  
(Signature of above)

Approved as to legality and form:

Approved for the Department:

\_\_\_\_\_  
Office of Attorney General

\_\_\_\_\_  
(Print/Type Name and Title)

\_\_\_\_\_  
(Signature of above)

\_\_\_\_\_  
Chief Counsel/Assistant Counsel

\_\_\_\_\_  
Date



## ACKNOWLEDGEMENT

COMMONWEALTH / STATE OF PENNSYLVANIA :  
COUNTY OF PHILADELPHIA : SS

[Operator – please complete only A. or B. and this document must be notarized]

**A. TO BE USED BY AN OPERATOR THAT IS A CORPORATION, PARTNERSHIP OR LIMITED LIABILITY COMPANY**

On March 30, 2017, Peter J. Gvazdauskas, personally appeared  
(Date) (Name)

before me and identified himself as the Chief Financial Officer and Treasurer of

Sunoco Partners Marketing & Terminals L.P.

(Name of Operator – must be identical to Operator identified in Bond)

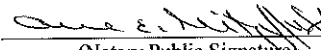
Each affiant stated that, in accordance with (1) ~~[the bylaws of the corporation]~~ [the partnership agreement] ~~[the Operating Agreement of the LLC or the LLP]~~ (please **CIRCLE ONE AND ONLY ONE**) and (2) any other documents applicable to authority to sign the attached Bond, the affiant was authorized to sign the attached Bond on behalf of the Operator.

**B. TO BE USED BY AN OPERATOR THAT IS AN INDIVIDUAL**

On \_\_\_\_\_, personally appeared  
(Date) (Name)

~~before me, and acknowledged that he or she executed the attached Bond for the purposes therein contained.~~

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)   
(Notary Public Signature)

My Commission Expires: 9-9-2018  
(Date)

